

What is a Transportation Brokerage ?

" A democratic society is about choices. If people don't have access, they can't make a choice . . . "
Community Transportation Association of America

Brokerage programs provide a lifeline to citizens who depend on human services transportation to meet their daily needs. Human services agencies that utilize brokerage services depend on the broker to provide efficient and reliable service to their clients. The primary advantage is access. Whether Medicaid recipients use transportation services to get to the doctor, or someone with financial challenges catches the bus to get to work, or persons with disabilities use transportation to participate in the community, a brokerage can help people who need transportation services lead a more productive life.

Today, successful brokerage programs are gatekeepers, making sure agency costs are reduced and clients receive the most efficient and appropriate mode of transportation to meet their needs. More and more, communities are beginning to rely on brokers to coordinate human services transportation and provide an efficient and cost-effective service from trip schedule to drop off. The broker acts as the administrator and can be responsible for all facets of the trip including:

- Registration information for eligible individuals;
- Contracting for transportation with private for-profit and private not-for-profit operators;
- Making reservations, scheduling, dispatching and maintaining equipment;
- Driver training and vehicle procurement;
- Risk management and providing quality assurance;
- Agency billing and record keeping;
- Providing reimbursement to operators; and
- Maintaining insurance

Human services agencies have increasingly recognized the need for mobility across the nation and to that end, they are considering brokerages as models for providing coordinated transportation.

What Are the Benefits from Brokerage?

Grows Financial Funding

Brokers can assemble financial resources from several human services programs making more funding available to meet the needs of transportation-disadvantaged persons.

Provides More Transportation Services

By combining transportation, financial and capital resources, it is possible to develop more services for transportation-disadvantaged persons.

Avoids Service Duplication

Coordinating transportation services of several human services programs avoids each program having to commit vehicles and services that overlap one another. The result is that more services can be provided and costs can be reduced.

Improves Service Delivery Efficiency

Coordinated systems serving multiple programs generally can increase the number of passengers carried on trips. This increases the efficiency of service delivery.

Creates Comprehensive Systems

A human services agency funds transportation to provide access to the specific services of that agency. Without a way to organize the transportation provided to different service populations and areas, transportation service gaps develop. Brokerage strategies can provide the structure and communication necessary for comprehensive transportation systems.

Who Benefits?



Medicaid eligible recipients may receive transportation services for non-emergency medical appointments such as doctor's visits or dialysis appointments. Categorized as financially or medically in need of assistance, Medicaid recipients receiving non-emergency medical transportation benefits may include children, pregnant women, persons with disabilities, seniors and certain Medicare beneficiaries.



Seniors 60 and up may qualify in many communities to receive a reduced fare or free transportation to daily activities, including going to the grocery store, visiting friends or relatives, or enjoying a day at a senior center. Seniors who participate in human services transportation programs enjoy a richer life within their neighborhood.



People who qualify under the Temporary Assistance for Needy Families (TANF) Act receive transportation benefits for job training, rides to work or rides to daycare while employed. Many TANF recipients, also known as Welfare, were able to leave the program due to the freedom transportation gave them to find and keep gainful employment.



Under the Americans with Disabilities Act (ADA), persons with disabilities may receive transportation benefits for any number of activities including work and school. This transportation requirement has connected transit corridors in addition to allowing millions of persons with disabilities to participate in daily activities and remain an active and vital part of the communities in which they live.





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Human Services Transportation Brokerage Programs

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*The National Consortium on the
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Human Services Agencies

Georgia State Medicaid Office
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Washington State Medicaid Office

Brokers:

ACCESS, PA
Atlanta Regional Commission, GA
LogistiCare, GA
MTM, MO
People for People, WA
TriMet, OR

Looking for More?

If you would like more information on human services brokerage phone **800.527.8279**
or email **coordination@ctaa.org** or visit the coordination page online at: **www.ctaa.org/ntrc**
For a comprehensive look at coordinated transportation and the Coordinating Council go to: **www.ccam.org**

Human Services **Transportation Brokerage Programs**



**A form
of
coordinated
transportation**

Brokerage...Programs... At Work Brokerage



Pittsburgh, Pennsylvania

"... without ACCESS I would have to rely on my parents to take me to work..." Sharon, director of a not-for-profit association

Yesterday:

Prior to 1980, persons with disabilities living in the Greater Pittsburgh Area found transportation expensive and scarce. There were very few options and it made going to the corner store nearly impossible. That changed in 1979, when ACCESS, a transportation provider for persons with disabilities, began operating door-to-door and shared-ride transportation services.

Pittsburgh, PA chose to use a decentralized brokerage system whereby the service provider is responsible for administrative functions such as scheduling, training and vehicle procurement. In this system, ACCESS, the broker, is responsible for determining eligibility, providing technical assistance

and contracting with multiple service providers thus avoiding duplication of services. The brokerage has saved dollars through coordination by sharing administrative costs with the Port Authority of Allegheny County.

Today:

The ACCESS program in Pittsburgh has achieved success through coordination. ACCESS saves money by diversifying its funding streams and by offering ride-sharing to its clients. The program services seniors and persons with disabilities. In addition, ACCESS also provides third-party sponsored services for over 100 human services agencies. The program is one of the 15 largest paratransit systems in the country, providing 165,000 trips per month and servicing 2 million riders a year. This brokerage program has gained success by diversifying its funding as well as its customer base. By operating a decentralized program, ACCESS has provided an affordable and reliable service for its clients throughout the county.



St. Louis, Missouri

Yesterday:

In the early 1990s, Missouri's Medicaid Assistance Agency (MAA) realized there was a serious problem with the way non-emergency medical transportation was administered. Under a poorly managed fee-for-service transportation system, certain unscrupulous transportation providers charged fraudulent fees to the State. With mounting transportation costs and trip scheduling inefficiencies, change was inevitable.

In 1995, the State's non-emergency managed-care program required all participating HMOs in the St. Louis area to assume responsibility for medical transportation. This plan caused mounting transportation costs and trip scheduling inefficiencies. With a focus on monitoring client needs, quality assurance and detailed reporting, a single broker was contracted to relieve individual HMOs of the administrative duties of scheduling visits and coordinating medical trips.

Today:

Missouri's brokerage program links Medicaid recipients to the most appropriate and least costly transportation providers in their region. Using this system, Missouri has been able to increase access to its clients and reduce trip costs by 33 percent. Prior to 2003, the average cost per trip was \$12 dollars. Today the average cost is \$7.00 per trip. St. Louis serves more than 1.5 million Medicaid recipients a year and its call center processes trip requests 24 hours a day and averages 47,000 trips per month.

The program has also developed a network of transportation providers that are screened for safety and performance. Fraud and abuse have been addressed by carefully tracking client utilization and reporting statistics to HMOs on a consistent basis.

To date, Missouri has alleviated the costly problems of the previous uncoordinated transportation system. The State plans to continue efforts to increase usage of their brokered transportation program Statewide.



Kentucky

Yesterday:

In the mid 1990s, if you lived in the State of Kentucky without a car, getting to work or to the doctor's office was a challenge. Transportation options provided by the State were inconsistent and therefore unreliable. Employment and Medicaid clients were left feeling helpless. The problem was so severe that the State's leadership became involved. Under the direction of the Governor, the Department of Transportation, the Department of Health Services, the Department of Families and Children, and the Workforce Development Department collaborated to establish the Committee on Human Services Transportation. The new group was tasked with coordinating the administration and delivery functions of transportation services to each of the department's constituencies. The State chose the brokerage model to administer its transportation program and began the service in June of 1998.

Today:

Kentucky has expanded the brokerage system to the entire State, which is divided into 15 regions each serviced by a single broker. Thirteen of those brokers are public transportation providers. Today, with the coordination of services, the State has seen sharp increases in transportation usage. For example, Medicaid clients account for nearly 2 million trips, which represents a 52% percent increase in five years. Subsequently, trip costs have decreased by 29 percent Statewide, from an estimated \$60 million in 2002 to an actual cost of \$43 million in 2003. Kentucky implemented call-monitoring to assess the success of the program and receive firsthand accounts from their clients. Kentucky has reduced complaints to less than 1 percent.

Through brokerage, the Commonwealth of Kentucky has streamlined its transportation program and in doing so, has increased the number of trips. Over the years, the program has expanded its service area as well as provided transportation to additional populations.

ge...Programs... At Work Brokerage...Programs...



Washington

"Thank goodness for their Medicaid transportation provider." Martha, dialysis patient

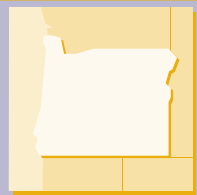
Yesterday:

Imagine being transportation-disadvantaged and needing a ride to the doctor. If you lived in Washington State, prior to the mid 1980s, and you scheduled a trip to the dialysis center, there was no guarantee that you would make the appointment. The transportation program was losing money and clients were missing appointments because the State had limited resources and could not keep up with the costs of providing transportation. As a means of providing more efficient, cost-effective non-emergency medical transportation, Washington converted its transportation program into a brokerage service model. The Medicaid brokerage system has been able to keep transportation costs down by coordinating transportation services with other State agencies.

Mental Health Services, Aging and Adult Services, Kidney Disease Program and the Division of Disability Determination are just a few of the participating agencies included in Medicaid's contract. Before the implementation of the Medicaid brokerage system, the cost of a single trip averaged \$30 and was limited to select urban and suburban areas.

Today:

Due to coordination under the Medicaid brokerage system the average cost per trip is only \$17 Statewide. Without the brokerage the cost would be \$60 per trip. The Medicaid brokerage transportation system operates throughout the entire State. Nine regional brokerage agencies are contracted to provide transportation services to 13 separate regions. Washington has been successful in providing expanded and effective access to medical services and is recognized as a model for other brokerage programs across the country.



Oregon

Yesterday:

In the early 1990s, Medicaid clients in Oregon that needed transportation to medical appointments were forced to make other arrangements. The State simply could not provide transportation. Resources were limited and coverage for outlying areas of the State were nonexistent. Oregon is a large rural State where a single non-emergency medical trips could average 50 miles. Although the transportation program used a combination of volunteers and local transit providers, the system remained costly due to fuel expense and vehicle maintenance. In addition, Oregon was unable to maintain affordable costs due to the length of trips and the large number of participants, which contributed to their financial woes. Witnessing the success of neighboring Washington State, Oregon adopted the brokerage model to control costs, assure access for all eligible recipients and deliver high-quality service for its Medicaid clients.

In 1994, Oregon began providing brokerage services. The State Office of Medical Assistance Programs (OMAP) began a brokerage program for Multnomah, Clackamas and Washington counties, the State's most populated urban areas. Due to the use of combined rides to persons with disabilities, Medicaid clients, and in some cases school children, the state increased overall access by nearly 22 percent. In the program's first month, 47,000 rides were provided. By the end of the first year, the State averaged over 60,000 riders per month. The costs per ride dropped as well. Prior to the system, the costs were \$7.98 per ride. In the first year, the brokerage model helped to cut costs down to \$6.20 per ride.

Today:

Oregon provides over 3 million rides and estimates a total savings of over \$11 million dollars annually for the Medicaid Program. The State has expanded its model to 16 other counties using four additional brokers. Today, nearly half of the State is serviced by brokers. Oregon continues to provide access to its clients and anticipates making the program available statewide by 2006.



Georgia

"... While different brokerage models exist, all seem to have controlled costs, improved service quality and access and enhanced data collection for the States involved... It's hard

to argue with a model that, when properly structured, immediately provides so many different benefits for State governments, Medicaid recipients and healthcare providers." Henry Hardy, LogistiCare

Yesterday:

Can you imagine living in a large rural state, without a car? Can you imagine needing to get to a doctor's office and having no way to get there? If you lived in Georgia prior to the mid-1990s you probably could. Some residents were lucky enough to live in an area that offered transportation but the service was not reliable. Georgia had lost control of its Medicaid transportation program by failing to control costs, eliminate fraud, accurately determine client eligibility, enforce driver and vehicle standards and ensure quality access for its non-emergency transportation services.

By 1997, the Office of the Inspector General of the U.S. Department of Health and Human Services determined that brokerages could be effective in reducing cost and fraud. The State took the report to heart.

Georgia had 1.2 million eligible Medicaid recipients, 25 percent of whom used the non-emergency medical transportation program. By 1999, the Georgia Department of Health instituted a brokered transportation program for its Medicaid clients and the State saw significant results. In the first year, transportation costs were cut in half and continued to decline by 30 percent over the next two years. Costs even dropped below the national average of \$16 per trip.

Today:

The coordination between the broker, human services agencies and transit providers creates more efficient use of dollars, thus increasing access to the entire State. The State provides 250,000 trips per month and residents who qualify for the service are experiencing reliable and dependable service. Since using a brokerage system, Georgia reports budget savings of \$25 million due to the implementation of the brokerage model.

Is this alternative right for your state?

A Community Speaks...Atlanta, GA

The Atlanta Regional Commission (ARC) is the recipient of the Job Access and Reverse Commute (JARC) grant program. One of the options of our "Access to Jobs" Transportation Program is the provision of a demand response shuttle/van service in one of the most populous counties in the Atlanta region. ARC contracts with the Georgia Department of Human Resources (DHR) to operate a comprehensive, affordable, dependable, accessible and safe Statewide transportation system delivered by a consolidated system. In our arrangement, DHR acts as a broker to reduce the cost of our service. DHR subcontracts with providers and determines client eligibility. This has allowed us to develop a self-supporting transportation network that has reduced the cost of transportation and improved services to the general public including low-income, elderly, persons with disabilities and the transportation disadvantaged.

Coordination is achieved through a partnership created between the Georgia Department of Human Resources, service providers, eligible participants and a transportation network provider. The program is designed to ease the transition of those reentering the workforce.

Eligible participants receive shuttle/van service at no charge. To date, the county program has provided over 10,000 trips to eligible participants – getting them to jobs and job-related activities in addition to stopping at childcare facilities. Once the client is able to use other means of transportation he or she is transitioned off the free service program thus promoting self-sufficiency. Due to our highly specialized service, jobs have been secured and retained because clients had access to a dependable transportation service.

The client benefits from the free service by having access to childcare and getting to work on time. Partner agencies benefit because the service is reliable, simple to use and timely. The region's "Access to Jobs" program benefits also by being able to further address the specialized needs of some who are transitioning from welfare to work. Overall we benefit from utilizing the DHR to broker our service. We are able to take advantage of the scope of what they are doing. From requesting bids to providing transportation, we are a part of a larger package. If we didn't have DHR we couldn't customize the service and we wouldn't be as efficient, cost-effective or flexible for our clients.

*Carolyn White
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Atlanta Regional Commission*

